



State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

| Representatives Present During the Inspection: | | | | | |
|--|--|--|--|--|--|
| Company | Mark Reynolds | | | | |
| OGM | Joe Helfrich Environmental Scientist III | | | | |

Inspection Report

| Permit Number: | C0070011 | | | |
|------------------|----------------------------|--|--|--|
| Inspection Type: | PARTIAL | | | |
| Inspection Date: | Wednesday, August 30, 2006 | | | |
| Start Date/Time: | 8/30/2006 2:00:00 PM | | | |
| End Date/Time: | 8/30/2006 4:00:00 PM | | | |
| Last Inspection: | Wednesday, July 26, 2006 | | | |

Inspector: Joe Helfrich, Environmental Scientist III

Weather: Sunny 85

InspectionID Report Number: 1061

Types of Operations

Reprocessing

Accepted by: whedberg

9/11/2006

Permitee: HIAWATHA COAL CO INC Operator: HIAWATHA COAL CO INC Site: HIAWATHA MINE COMPLEX

Address: PO BOX 1245, HUNTINGTON UT 84528

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

| Current A | Acreages |
|-----------|----------|
|-----------|----------|

| Total Permitted | 12,177.00 | |
|-----------------|-----------|--|
| Total Disturbed | 290.00 | |
| Phase I | | |
| Phase II | | |
| Phase III | | |

Mineral Ownership

☐ Other

✓ Federal Underground ✓ State Surface ☐ County Loadout **✓** Fee Processing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site was to conduct a partial inspection of the Hiawatha complex. The site is currently inactive except for the occasional loading of slurry from pond #1. There are no amendments pending.

Inspector's Signature:

øe Helfrich, Environmental Scientist III

Inspector ID Number: 1

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov **Date**

Monday, September 11, 2006

Permit Number: C0070011 Inspection Type: PARTIAL

Inspection Date: Wednesday, August 30, 2006

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

| | | Evaluated | Not Applicable | Comment | Enforcement |
|------|---|-----------|----------------|----------|-------------|
| 1. | Permits, Change, Transfer, Renewal, Sale | ✓ | | ✓ | |
| 2. | Signs and Markers | ✓ | | ~ | |
| 3. | Topsoil | | | | |
| 4.a | Hydrologic Balance: Diversions | | | | |
| 4.b | Hydrologic Balance: Sediment Ponds and Impoundments | ✓ | | V | |
| 4.c | Hydrologic Balance: Other Sediment Control Measures | ✓ | | Y | |
| 4.d | Hydrologic Balance: Water Monitoring | ✓ | | ✓ | |
| 4.e | Hydrologic Balance: Effluent Limitations | | | | |
| 5. | Explosives | | | | |
| 6. | Disposal of Excess Spoil, Fills, Benches | | | | |
| 7. | Coal Mine Waste, Refuse Piles, Impoundments | | | | |
| 8. | Noncoal Waste | | | | |
| 9. | Protection of Fish, Wildlife and Related Environmental Issues | | | | |
| 10. | Slides and Other Damage | | | | |
| 11. | Contemporaneous Reclamation | | | | |
| 12. | Backfilling And Grading | | | | |
| 13. | Revegetation | | | | |
| 14. | Subsidence Control | | | | |
| 15. | Cessation of Operations | | | | |
| 16.8 | a Roads: Construction, Maintenance, Surfacing | | | | |
| 16.b | Roads: Drainage Controls | | | | |
| 17. | Other Transportation Facilities | | | | |
| 18. | Support Facilities, Utility Installations | | | | |
| 19. | AVS Check | | | | |
| 20. | Air Quality Permit | | | | |
| 21. | Bonding and Insurance | | | | |
| 22. | Other | | | | |

Permit Number: C0070011 Inspection Type: PARTIAL

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Page 3 of 3

1. Permits, Change, Transfer, Renewal, Sale

The DOGM permit was issued on March 14, 2002 and expires on March 14, 2007.

2. Signs and Markers

Signs containing the required information were posted at points of access to the mining facilities. At the time of this inspection, all points of access to the Hiawatha complex were open.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The ponds at the King 4 and 6 and 5 operations were inspected, they appeared to be stable showing no signs of erosion. All were dry at the time of this inspection.

4.c Hydrologic Balance: Other Sediment Control Measures

The diversion below the slurry pond should be cleaned of coal fines annually.

4.d Hydrologic Balance: Water Monitoring

This information was sent to Mr. Reynolds by way of "E" mail on 8/23/06 by Dave Darby, hydrologist for the Hiawatha complex.

"During our review of the water monitoring data submitted for Hiawatha Coal Mine, it has become apparent that several sites have not been reported and several of some parameters have not been reported on a monthly basis. I am sending you a file depicting the reported data (data in the DOGM Water Quality Database). Please review it. I want to discuss it with you by the end of this week. If you feel the need, I can meet with you and go over the monitoring requirements as listed in your MRP to ensure all future data is submitted.

There are four working tables showing missing and questionable data, permit requirements, regulatory requirements, and Table 7-16 parameter requirements."